

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA,

V.

JAMES MERRILL AND  
CARLOS WANZELER,

Criminal No. 14 CR 40028-TSH

**ORDER APPROVING ASSENTED TO MOTION BY CHAPTER 11 TRUSTEE OF  
TELEXFREE, LLC, et al. TO MODIFY RESTITUTION ORDER**

This matter having come before the Court on the Assented-to Motion (the "Motion") filed by Stephen B. Darr, the duly appointed Chapter 11 trustee (the "Trustee") of the bankruptcy estates (the "Bankruptcy Estates") of TelexFree, LLC, TelexFree, Inc., and TelexFree Financial, Inc. in Case No. 14-40987-MSH pending in the United States Bankruptcy Court for the District of Massachusetts (Hoffman, J.) to Modify the Restitution Order, and the United States having assented to the relief requested in the motion, and all parties having had an opportunity to be heard and good cause appearing therefor, it is hereby ORDERED that:

1. The Motion is APPROVED.
2. The Restitution Order entered in this action on July 11, 2017 [docket no. 367] is hereby modified by deleting paragraph 12 in its entirety and replacing it with the following:

12. The Trustee shall make payments to victims on account of allowed claims in the Bankruptcy Cases on a *pro rata* basis from the funds he receives for restitution pursuant to this criminal case, provided that the Trustee may use \$7,500,000 of the restitution funds to reimburse the Bankruptcy Estates for the

costs associated with the Trustee's performance of his obligations under this Order.

3. Except as modified herein, the Restitution Order shall remain in full force and effect.

Dated: April 23, 2020

/s/ Timothy S. Hillman

Timothy S. Hillman  
United States District Judge